

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

In the Matter of:	)	
	)	
TELEPHONE ELECTRONICS CORP.	)	Re: DA No. 95-651
	)	
Request To Waive Entrepreneurs'	)	
Block Eligibility Rules	)	
	)	
Implementation of Section 310(j)	)	PP Docket 93-253
of the Communications Act --	)	
Competitive Bidding	)	DOCKET FILE COPY ORIGINAL

**COMMENTS OF IMPULSE TELECOMMUNICATIONS CORPORATION**

Impulse Telecommunications Corporation ("Impulse") herewith submits its comments in support of the above-captioned waiver request by Telephone Electronics Corporation ("TEC").<sup>1</sup> In its waiver request, TEC asks the Commission to waive the eligibility rules for the Block C and F broadband PCS license auctions to the extent necessary to allow TEC's rural telephone companies to participate as small businesses in the bidding for Basic Trading Areas ("BTAs") where they provide telephone service and the population is less than 300,000.

TEC would qualify as a rural telephone company designated entity but for its affiliated long distance resale operations. It seeks a waiver to participate in the PCS auctions only where it provides local telephone services, and even there it has agreed to exclude any major metropolitan areas. Impulse believes

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<sup>1</sup> See FCC Public Notice, "Comment Sought on TEC Request to Waive Entrepreneurs' Block Eligibility Rules," DA 95-651 (rel. Mar. 29, 1995).

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a grant of TEC's limited waiver request is in the public interest. As a rural telephone company seeking to provide PCS services in its local telephone serving areas, TEC is likely to bring the benefits of new technology to the residents of these less populated locations more quickly than any other provider. Moreover, this public benefit can be achieved without disruption of the Commission's administrative processes because the narrow terms of this limited waiver will not open the floodgates for other similar requests.

Overall, grant of the waiver also will serve the public interest by expediting the PCS auctions. Originally, the short form applications for the Commission's C and F block auctions for PCS licenses were to be due less than one month from now and the auctions were to be held in mid-May. Shortly after the announcement of the auction deadlines, however, the Court of Appeals for the District of Columbia Circuit issued a stay of the designated entity PCS auctions pending its resolution of issues in Telephone Electronics Corp. v. FCC.<sup>2</sup> Under the pleading schedule set by the Court of Appeals, oral argument in the case will not be heard before September and a decision may not be rendered until early next year.

Impulse is a nine year old entrepreneurial telecommunications company that has focused its business on PCS since 1990. In 1993, Impulse raised initial seed capital to pursue PCS opportunities and has subsequently undertaken

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<sup>2</sup> C.A. No. 95-1015, slip op. (D.C. Cir. Mar. 15, 1995).

substantial preparations to develop PCS businesses through the C and F Block BTA auctions. Although Impulse is structured as a small business under the Commission's auction rules, like many other designated entities, Impulse must rely on outside capital investment in order to ensure that it is able to successfully obtain PCS licenses and fund the offering of high quality services to the public. Due to the Court of Appeals' actions in the TEC case, however, uncertainties have been created that, if left unresolved, could impair the confidence of PCS investors and detract from the ability of designated entities to obtain the funding necessary to make the C and F Block auctions a success. This could diminish the diversity of PCS offerings made available to the public and the overall competitiveness of the wireless marketplace.

Impulse supports any necessary actions by the FCC to reduce uncertainties for designated entities and to get the C and F Block PCS auctions back on schedule. Inasmuch as TEC has indicated that, if its waivers were granted, it "would have no incentive to continue with its appeal and its lawsuit could be dismissed, allowing the auctions to proceed without delay,"<sup>3</sup> Impulse supports expeditious grant of TEC's requested relief. Dismissal of the TEC appeal would remove any basis for the Court of Appeals' stay of the auctions, restore the confidence of financial markets, and allow the more rapid introduction of competitive PCS services to the public. Under the circumstances,

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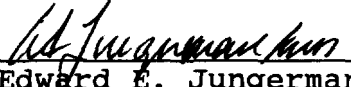
<sup>3</sup> TEC Request for Waiver at 7 (filed Mar. 28, 1995).

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TEC's requested relief is in the public interest and Impulse urges the Commission to grant TEC's request expeditiously.

Respectfully submitted,

IMPULSE TELECOMMUNICATIONS CORPORATION

By:   
Edward E. Jungerman  
President & CEO  
Impulse Telecommunications  
Corporation  
12221 Merit Drive, Suite 1150  
Dallas TX 75251  
(214) 490-8847

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